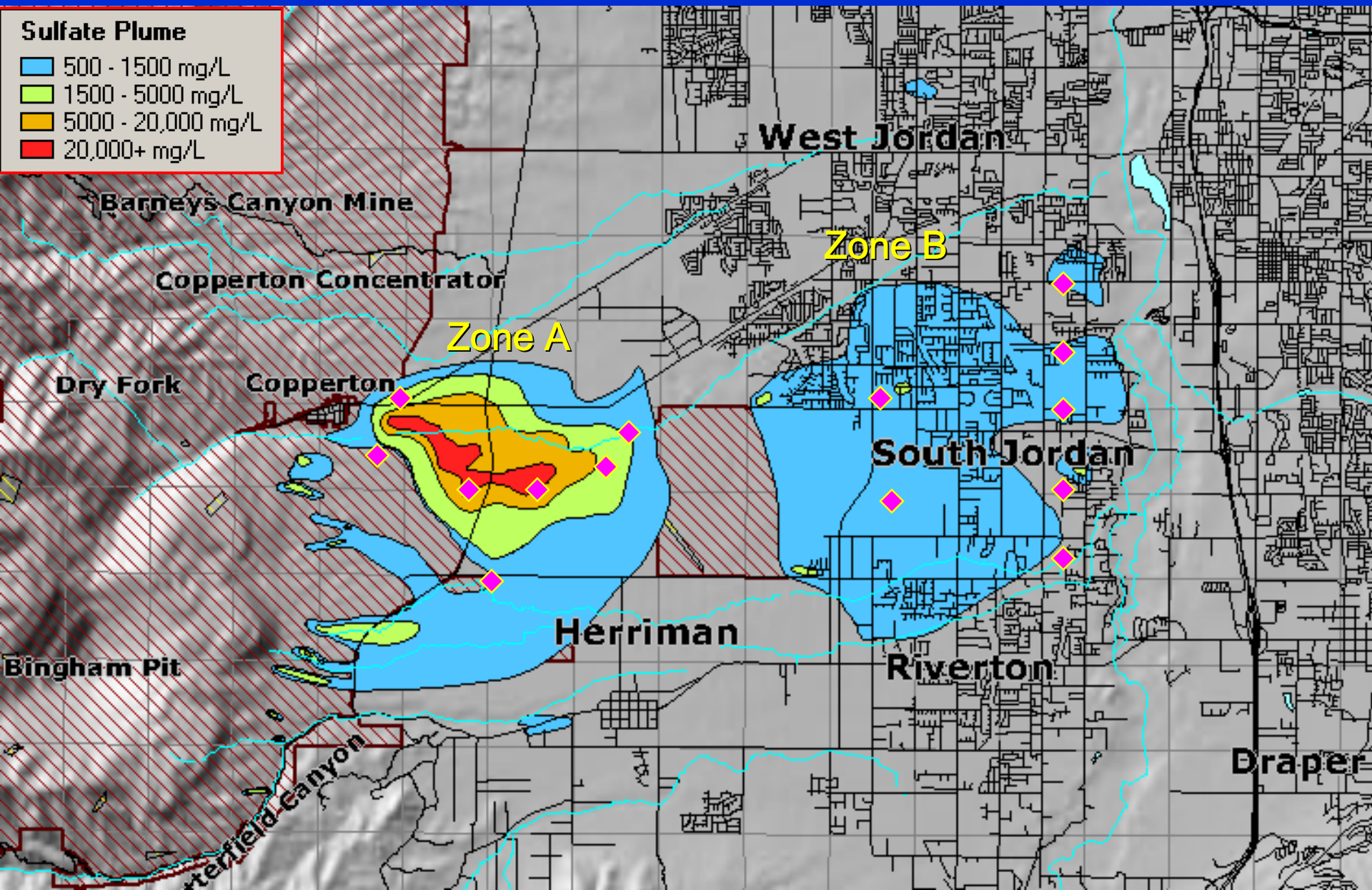


**KUCC and JVWCD Joint Proposal  
to the State Trustee  
for Natural Resource Damages  
to the Southwestern Jordan Valley Aquifer**

**Public Hearings  
September 10, 2003 – West Jordan  
September 25, 2003 - DEQ**



# ZONE A AND ZONE B SULFATE PLUMES



# State Natural Resource Damage (NRD) Trust Fund (Millions)

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Date	<u>Irrevocable Letter of Credit<sup>(a)</sup></u>	<u>Lost Use Payment <sup>(b)</sup></u>	<u>Total</u>
<b>September 1995</b>	<b>\$28.0</b>	<b>\$9.0</b>	<b>\$37.0</b>
<b>September 2003</b>	<b>\$48.1</b>	<b>\$13.2</b>	<b>\$61.3</b>

(a) Increases at 7% annually

(b) Invested in Public Treasurer Investment Fund



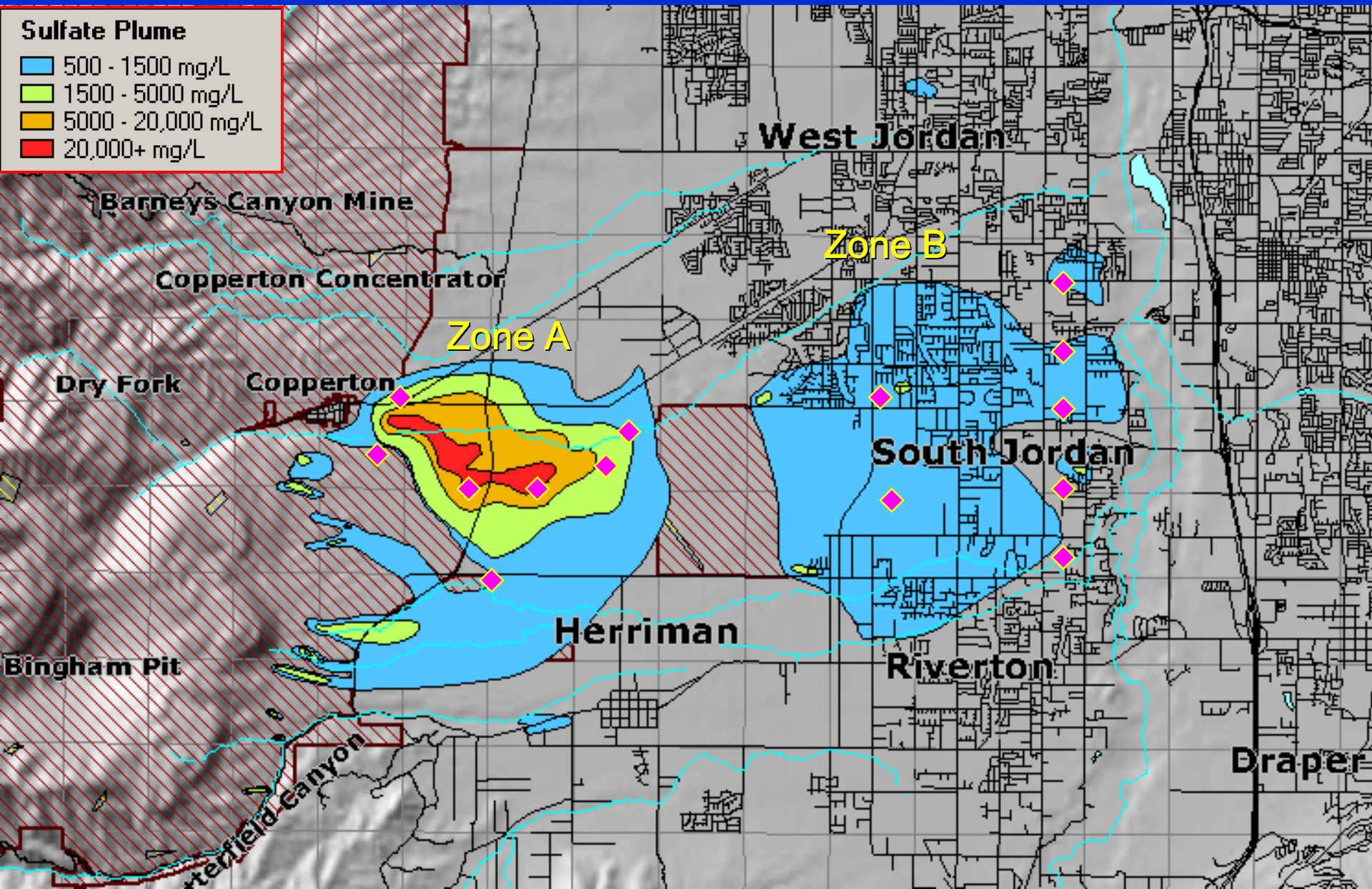
# SCOPE AND PURPOSE OF JOINT PROPOSAL

- Seeks to use all portions of Trust Fund
- NRD and CERCLA Obligations
  - Extract contaminated groundwater from the acid plume at a minimum rolling 5-yr average of 400 ac-ft/yr
  - Complete source control measures
  - Produce 8,235 ac-ft/yr of Municipal Quality Water (MQW)
    - from the extracted water by Reverse Osmosis (RO) Treatment
    - delivery of the treated water to affected municipalities
  - Contain sulfate contaminated groundwater  $>1500$  mg/L on Kennecott property via groundwater extraction
  - Prevent or reduce spread of aquifer contamination





# ZONE A AND ZONE B SULFATE PLUMES



# KUCC Source Control Activities

- **Zone A**
  - Eastside Collection System – mid 1990s
  - Large Bingham Reservoir replacement early 1990s
  - Termination of active leaching operations – Sept 2000
  - Various contaminated soils removal projects
- **Zone B**
  - South Jordan Evaporation Ponds removal



# Kennecott/JVWCD Proposal

## Three Main Components:

- **Zone A Plant**
  - Funded by Kennecott and JVWCD
  - Constructed, owned and operated by Kennecott
  - Produce 3500 ac-ft/yr of Municipal Quality Water
  - From Kennecott water rights
- **Zone B Plant**
  - Funded by Kennecott and JVWCD
  - Constructed, owned and operated by JVWCD
  - Produce 3500 ac-ft/yr of drinking water
  - From JVWCD water rights
- **“Lost use” component**
  - Produce 1235 to 2300 ac-ft/yr of drinking water
  - From JVWCD water rights
- **All water delivered to the affected municipalities through JVWCD system**



# Zone A RO Filtration of Sulfate Plume Water

## 2002 Typical Analyses

<u>Parameter</u>	<u>UOM</u>	<b>Product</b>		<b>PERMIT LIMIT</b>	
		<u>Water</u>	<i>DW Standard</i>	<u>By-product</u>	<i>30-day ave / daily max</i>
Arsenic	µg/L	< 5	<b>50/10</b>	23	<b>250 500</b>
Cadmium	µg/L	< 1	<b>5</b>	< 1	<b>50 100</b>
Copper	µg/L	< 20	<b>1300</b>	97	<b>150 300</b>
Lead	µg/L	< 5	<b>15</b>	< 5	<b>300 600</b>
Selenium	µg/L	< 2	<b>50</b>	36	<b>54 54</b>
Sulfate	mg/L	102	<b>1000</b>	6,683	<b>WET Testing</b>
Zinc	µg/L	< 10	<b>5000</b>	86	<b>224 500</b>
TDS	mg/L	<250	<b>2000</b>	12,000	<b>WET Testing</b>
pH	su	7.0	<b>6.5 - 8.5</b>	7.7	<b>6.5 - 9.0</b>



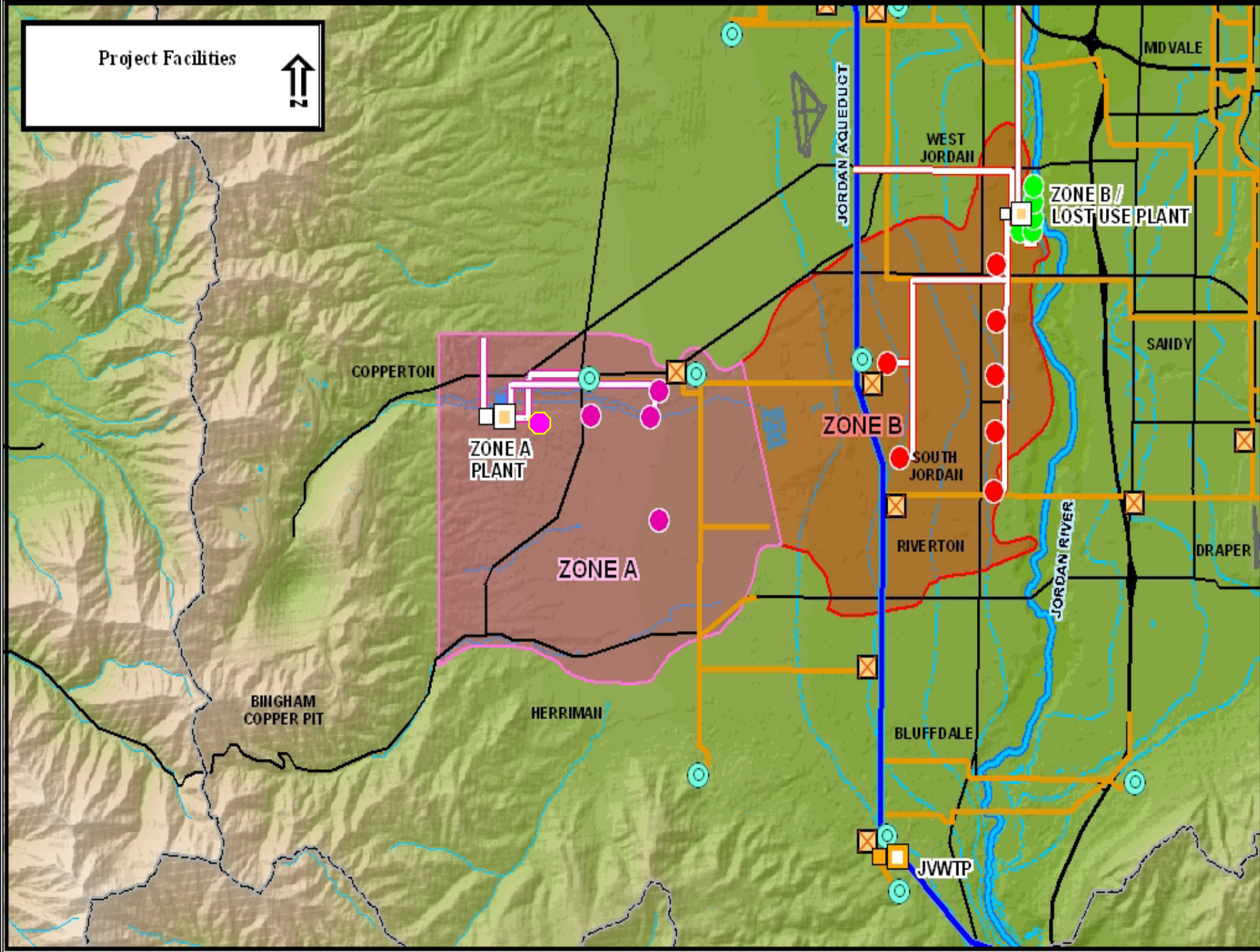


## Zone A RO Plant Site – Looking West





Project Facilities



# Project Actions to Date

- All source controls completed and operating
- Extraction of sulfate contaminated water at 3200 gpm from Zone A
- *Total current acid extraction ~1500 gpm, or 6 times NRD minimum*
  - *~98 million pounds sulfate removed last year*
- Significant reductions in sulfate concentrations in majority of Zone A plume area
- Pilot testing of Zone A and Zone B RO Plants
- Final Remedial Design submitted to EPA, DEQ and TRC
- Design/Construction underway for Zone A RO Plant
- 50% Capacity on-line before end of 2003 for Zone A RO Plant

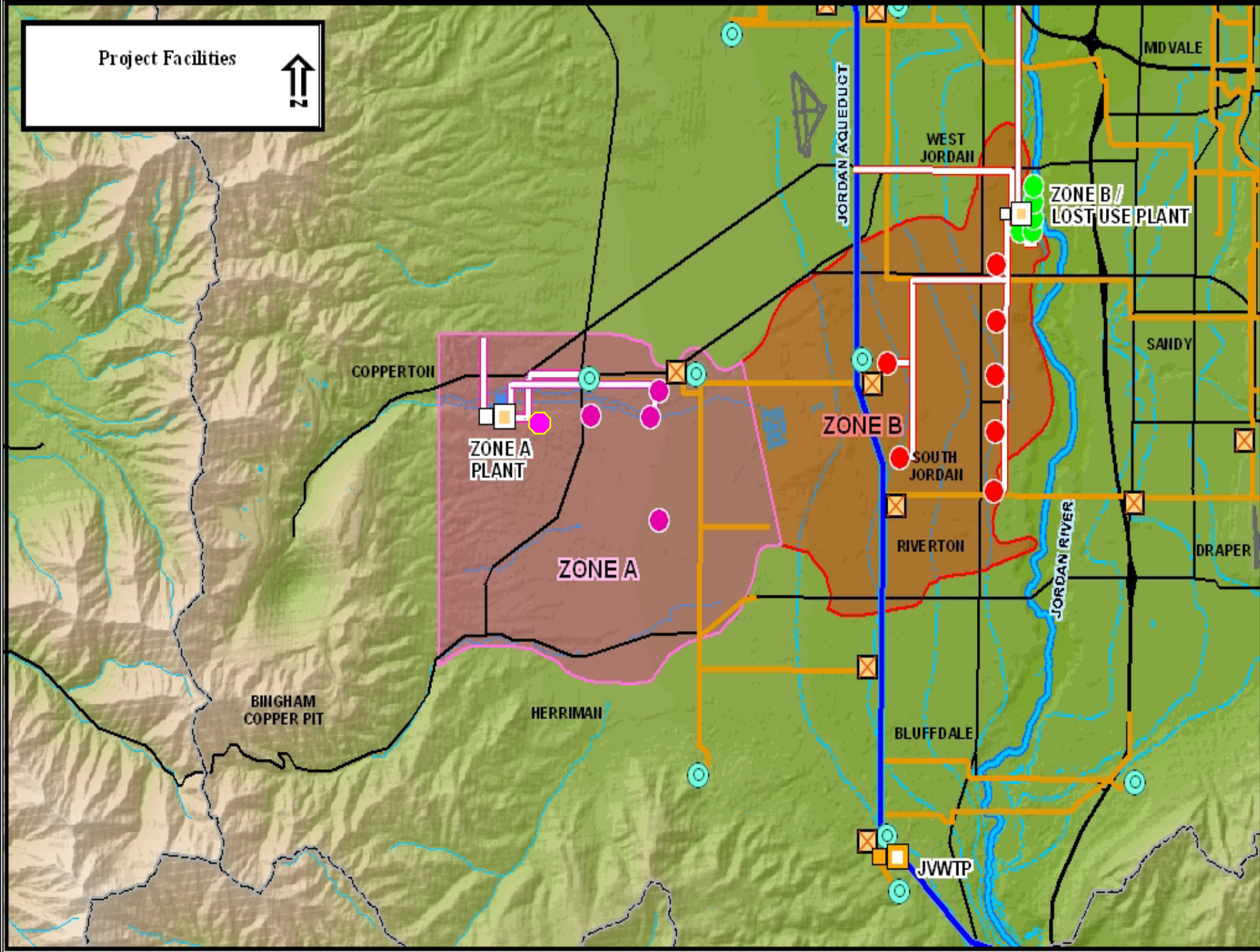


## Zone B/Lost Use Treatment Plant Site

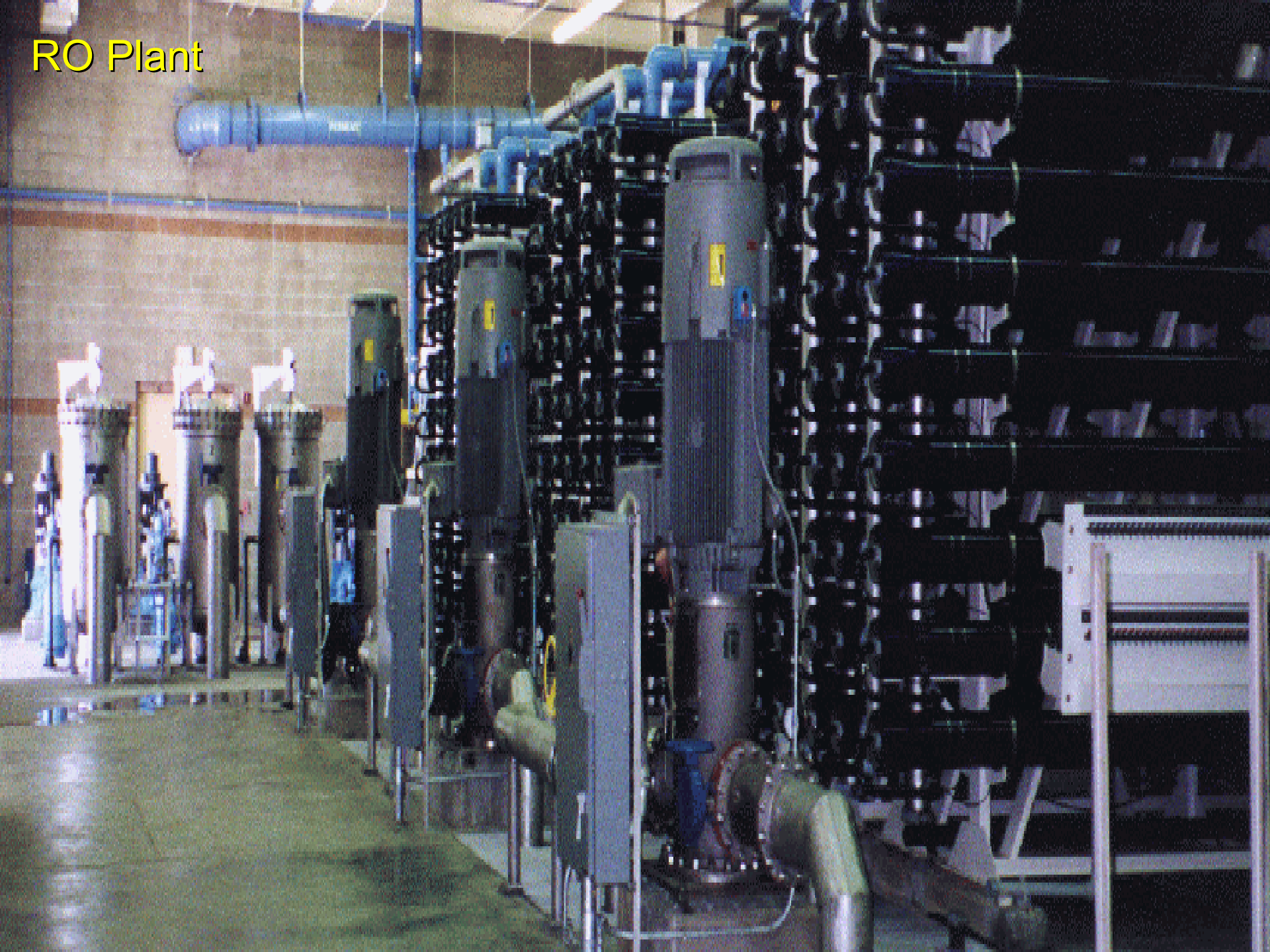




Project Facilities



RO Plant





# Zone B RO Filtration of Sulfate Plume Water

## 2002 Typical Analyses

<u>Parameter</u>	<u>UOM</u>	<u>Product</u>		<u>By-product</u>	
		<u>Water</u>	<i>DW Standard</i>		<i>PERMIT LIMIT</i> <i>Daily max</i>
Arsenic	µg/L	< 5	<b>50/10</b>	20	<b>190</b>
Cadmium	µg/L	< 1	<b>5</b>	2.5	<b>4.4</b>
Copper	µg/L	< 20	<b>1300</b>	22	<b>32</b>
Lead	µg/L	< 5	<b>15</b>	2.5	<b>28</b>
Selenium	µg/L	< 2	<b>50</b>	20	<b>48.5</b>
Sulfate	mg/L	56	<b>1000</b>	3100	<b>WET Testing</b>
Zinc	µg/L	< 10	<b>5000</b>	25	<b>257</b>
TDS	mg/L	<250	<b>2000</b>	8,304	<b>8350</b>
pH	su	8.2	<b>6.5 - 8.5</b>	7.7	<b>6.5 - 9.0</b>



# Lost Use RO Filtration of Shallow Groundwater

## 2002 Typical Analyses

<u>Parameter</u>	<u>UOM</u>	<u>Product</u>		<u>By-product</u>	
		<u>Water</u>	<i>DW Standard</i>		<i>PERMIT LIMIT</i> <i>Daily max</i>
Arsenic	µg/L	< 5	<b>50/10</b>	20	<b>190</b>
Cadmium	µg/L	< 1	<b>5</b>	2.5	<b>4.4</b>
Copper	µg/L	< 20	<b>1300</b>	18	<b>32</b>
Lead	µg/L	< 5	<b>15</b>	25	<b>28</b>
Selenium	µg/L	< 2	<b>50</b>	20	<b>48.5</b>
Sulfate	mg/L	56	<b>1000</b>	1800	<b>WET Testing</b>
Zinc	µg/L	< 10	<b>5000</b>	2.5	<b>257</b>
TDS	mg/L	<250	<b>2000</b>	8232	<b>8350</b>
pH	su	8.2	<b>6.5 - 8.5</b>	7.7	<b>6.5 - 9.0</b>



# Project Water Allocation

- Zone A water – internally subsidized with Trust Fund
- Zone B water – cost efficiency through JVWCD system
- Zone A and B water committed to Affected Public for 40 yrs

## Zone A Water Allocation

<u>Affected Municipality</u>	<u>Allocation</u>	<u>Annual Volume (AF)</u>	<u>Flow Rate (mgd)</u>
West Jordan	35%	1225	1.2
South Jordan	30%	1050	1.0
Riverton City	20%	700	0.7
Herriman City	15%	525	0.5

Distribution based on population projections



# Project Schedule

<u>Activity</u>	<u>Completed by</u>
Public Hearings/Comment	September 2003
Trustee approval, agreements execution	4 <sup>th</sup> Quarter 2003
Design/Construction	Underway – 4 <sup>th</sup> Quarter 2006
Startup/testing, Complete and Operational	Zone A – Dec 2005 Zone B – 2 <sup>nd</sup> Quarter 2007



# PROJECT BENEFITS

(Required by Consent Decree)

- Treats contaminated water
- Delivers  $\geq 8,235$  acre feet of Municipal Quality Water per year to a local water purveyor
- Provides sustainable 40-year supply to Affected Municipalities at reduced rates
- Prevents or reduces spread of contamination
- Restores the natural resource for the benefit of the Affected Municipalities
- Replaces water lost to concentrate streams in Zone A and Zone B



# PROJECT BENEFITS

(Beyond Requirements of Consent Decree)

- Contribution of land and water rights for plant sites by KUCC and JVWCD
- Integration with CERCLA remediation program
- Water quality enhancement at JVWCD's expense
- Use of JVWCD's existing and future supply and treatment infrastructure to back up Zone B and Lost Use Plants





# PROJECT BENEFITS

## (Beyond Requirements of Consent Decree)

- Substantial additional cash contributions by KUCC and JWCDC

### Project Funding <sup>(a)</sup> (\$Millions)

<u>Project Component</u>	<u>ILC<sup>(b)</sup></u>	<u>Lost Use</u>	<u>KUCC</u>	<u>JWCDC</u>	<u>TOTALS</u>
Zone A	\$24.05	\$0	\$14.8	\$5.9	\$44.75
Zone B	\$24.05	\$0	\$4.5	\$11.1	\$39.65
Lost Use	<u>\$0</u>	<u>13.2<sup>(c)</sup></u>	<u>\$0</u>	<u>\$6.3</u>	<u>\$20.0</u>
<b>TOTALS</b>	<b>\$48.1</b>	<b>\$13.2</b>	<b>\$19.3</b>	<b>\$23.3</b>	<b>\$103.9</b>

(a) In October 2002 dollars. Includes both construction and O,M&R cost NPV for 40 years.

(b) Irrevocable letter of credit (September 2003 value).

(c) \$0.7 million to UDEQ for Trustee expenses.



# **PROJECT BENEFITS**

**(Beyond Requirements of Consent Decree)**

- **Use of JVWCD storage and distribution facilities to deliver water to Affected Municipalities**
- **Commitment by KUCC to accept and dispose of Zone A and, if necessary, Zone B concentrates using KUCC infrastructure**
- **JVWCD experience and expertise in constructing and operating a major, integrated public water system**
- **Development and operation by a public entity -- no “profit” or “return on investment” component in project economics**
- **Gain experience with R/O technology that will enhance and expedite future public water supply projects**



# Other Issues

- Shallow groundwater level impacts
- Principal aquifer groundwater level impacts
- Potential contaminant migration
- By-product discharge to Great Salt Lake and/or Jordan River via UPDES permitted outfalls

